

19 December 1956

MEMORANDUM FOR RECORD

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TO: [REDACTED]

FROM: [REDACTED]

SUBJECT: Substantive Aspects of paper titled "CHINA'S NEW SOLUTION..."

1. The administrative handling of my paper entitled "China's New Solution..." by Ch/A/F has already been discussed in a letter to Ch/G from Ch/OG/F dated 6 December 1956. The intent of this memorandum is to take up substantive aspects, focusing on the superficially devastating commentary on raw manuscript, which was submitted by Ch/A/F to Ch/E, on the basis of which Ch/E recommended against publication of the paper.

2. My rebuttal to the commentary returned by Ch/E in support of his rejection judgment is attached. Substantially, there are two basic clashes, beyond which the rest of the issues treated in the commentary and rebuttal are of secondary importance.

(a) First, my paper brought up the question of whether or not the great acceleration of the collectivization program in late 1955 and early 1956 represented a change of policy regarding the pace of socialization of agriculture. The commentary says no; I say yes.

(b) The second clash, interwoven with the first, is whether all of the intelligence aspects of collectivization should, for CIA purposes, be subsumed under economic analysis, since the basic theory comes out of Marxist economics. A great weight of evidence, opinion, and logic will confirm my assertion that so massive a program for agriculture as the party undertook in 1955 and early 1956 became immediately a problem in government and administration, against impressive political and social obstacles. It was in the interplay of these factors in their regional aspects, worked out against an official schedule for cooperativization based on three regional categories, that the expanding picture developed geographic interest. It was in deference to the purely political and purely economic points of view, that the paper—with some loss of internal coherence—was so drafted as to sidestep purely political and economic analysis. Although censured for this in the A/F commentary, I cannot admit it as a fault; such analysis is not our province. For the rebuttal, however,

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I have been forced to take time to review the material more comprehensively and explore the political and economic interrelationships, in order to display the commentary's essential weakness as an evaluation. This review has convinced me that A/F commentary, while presented as an authoritative opinion, is the poorest defense imaginable for an arbitrary administrative action, and should never have left the branch where it originated.

3. Having lost its timeliness in its present form through A/F's de facto suppression of it and through the time consumed in preparing a careful rebuttal, the subject paper probably no longer warrants consideration for publication. Successful salvage would require considerably amplified treatment, with additional research to bring it up-to-date, and the addition of sufficient political and economic material to give it breadth and internal consistency. The phase of geographical interest in the political angles was ephemeral. Further, successful coordination with A/F would still be required. With such obstacles, expenditure of further effort on the topic seems impractical.

4. Three constructive proposals can still be made. Taken together, they would fully repay the effort so far invested in the matter.

(a) Formal withdrawal of A/F's commentary and of Ch/E's negative conclusion based thereon would be reasonable and desirable. The letter of December 1956 to Ch/G from Ch/E recognizes only that A/F kept the paper too long. It implicitly supports their refusal to coordinate as justified by his opinion that the paper is so misguided as not to be worth "scrubbing up," for the sake of the additional information offered. Thus, A/F remain the censors of the worth of their own and everyone else's views on current China intelligence with an economic component, as though A/F were a high-level staff component. With this the status quo, it is obviously not worth our while to attempt to add anything to the CIA output of timely intelligence on China, where almost everything has an economic component. That is to say, anything requiring coordination with A/F might as well be dropped from consideration first as last.

(b) M/Ag has previously published three reports dealing with the socialization of Chinese agriculture through the year 1954. These are IM-370 (24 Nov 52), IM-386 (7 May 54), and IM-409 (22 Apr 55). It is unfortunate that no such report appeared for the climactic year of 1955. The reason, I have been told, is that the need would supposedly be met by a section in the NIE dealing with socialization of agriculture. This is surprising, since the NIE comes out later and is prepared for

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different consumers than IM's. If M/Ag were to publish another report bringing the story up-to-date, an important void in current intelligence production would be filled. My paper, the A/F commentary, and my rebuttal, if turned over to M/Ag for use in support of such a project, might conceivably be of considerable use. The A/F commentary is so obtuse as to raise the question of whether they themselves understand the topic sufficiently to be responsible for all ORR output dealing with it.

(c) Agricultural collectivization in China is one of those topics on which genuine problems of coordination will continually arise in the preparation of timely intelligence, since it calls for consideration in a variety of contexts to develop its intelligence potential. It would thus be a suitable topic for a case study by a staff unit of the effectiveness of CIA's coverage of major current developments. The question is, whether the needs of middle and lower echelons of the Intelligence Community, both within and without CIA, have been well served by the contraction of output on the topic in 1956 and by centralizing control of CIA publication on this matter (which involved final surrender of land tenures for 12% of the world's population just within the period treated by my paper) at the branch level in the E area.

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